



DEPARTMENT OF PLANNING
STAFF REPORT

PLANNING COMMISSION PUBLIC HEARING

DATE OF HEARING: August 28, 2006

PROJECT NUMBER/NAME:
**CPAM 2005-0007, ARCOLA AREA/ROUTE 50 COMPREHENSIVE PLAN
AMENDMENT**

DECISION DEADLINE: 90 days from Planning Commission Action

ELECTION DISTRICT: Countywide PROJECT PLANNER: Cindy Keegan

EXECUTIVE SUMMARY

On October 18, 2005, the Board of Supervisors initiated an amendment to the Revised General Plan to develop policies targeted to implement the Route 50 Task Force Report recommendations. On June 5, 2006, the Planning Commission voted 7-1-1 (Beerman, Elgin, Hsu, Klancher, Syska, Volpe, Whitmore - yes; Ruedisueli – no; Herbert - abstain) to forward draft policies (as revised on June 5, 2006) and proposed land use maps to the Board of Supervisors (Board) with a recommendation of approval (Attachment 1). In order to provide the Board a full 90 days to review the proposed CPAM, the Board returned the CPAM to the Commission for the purposes of holding a Public Hearing no later than the first week in September. The Board also directed that the Commission certify the CPAM and return the CPAM to the Board no later than the second week of September.

The proposed policies and maps are intended to implement the recommendations of the Route 50 Task Force and make the following specific policy changes:

- Allow additional retail uses in the Business and Industrial Community designations subject to certain criteria;
- Change the planned land use in Arcola from Industrial to Business community;
- Broaden the opportunity for destination and consumer – goods retailers along Route 50;

- Encourage the revitalization of the Village of Arcola by creating a mixed use, pedestrian scale village and an appropriate transition from the village to the larger scale uses and employment uses to the east; and
- Add architectural design, landscaping, economic development, and transportation policies in support of the Route 50 Task Force recommendations.

SUGGESTED MOTIONS

1. I move that the Planning Commission forward CPAM 2005-0007, Arcola Area/Route 50 Comprehensive Plan Amendment to the Board of Supervisors with a recommendation of approval.

OR

2. I move an alternate motion.

INTRODUCTION:

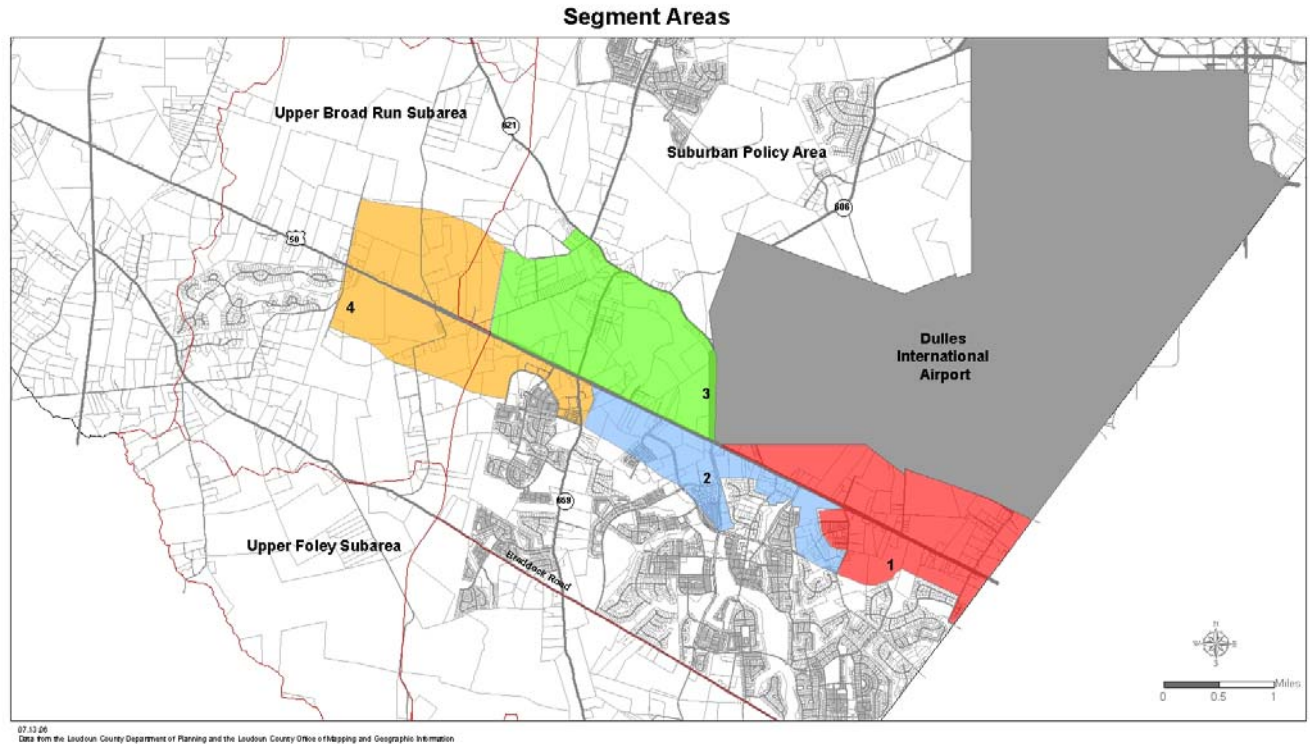
In late 2004, the Board of Supervisors formed a task force consisting of members from various organizations including the County's Economic Development Commission, the Loudoun Convention and Visitors Association, the Metropolitan Washington Airports Authority, property owners, area residents, developers and representatives of heritage and cultural resources groups to address land use and transportation issues along the Route 50 corridor and make recommendations that would help create an attractive gateway to Loudoun County. This gateway was intended to recognize and strengthen the area's heritage and cultural resources, promote economic development and tourism, and contain development, transportation, and infrastructure improvements that are tailored to the unique and pressing needs of the area. The Route 50 Task Force submitted their Final Report to the Board of Supervisors on July 19, 2005.

On October 18, 2005, the Board of Supervisors initiated an amendment to the Revised General Plan directing staff and the Planning Commission to develop policies that implement the Route 50 Task Force Report recommendations. The Task Force Report, published in July 2005, recommends: (i) increased retail, residential, civic, and cultural uses that enhance the Route 50 corridor and revitalize the Arcola area; (ii) amendments to the Countywide Transportation Plan to accommodate Task Force-recommended alignment changes. Changes to the Zoning Ordinance necessary to implement Entrance Gateway landscape recommendations; to modify the CLI District, to create a Planned Development Mixed Use Business District; and to establish architectural review guidelines are going on under separate work efforts and within varying timeframes.

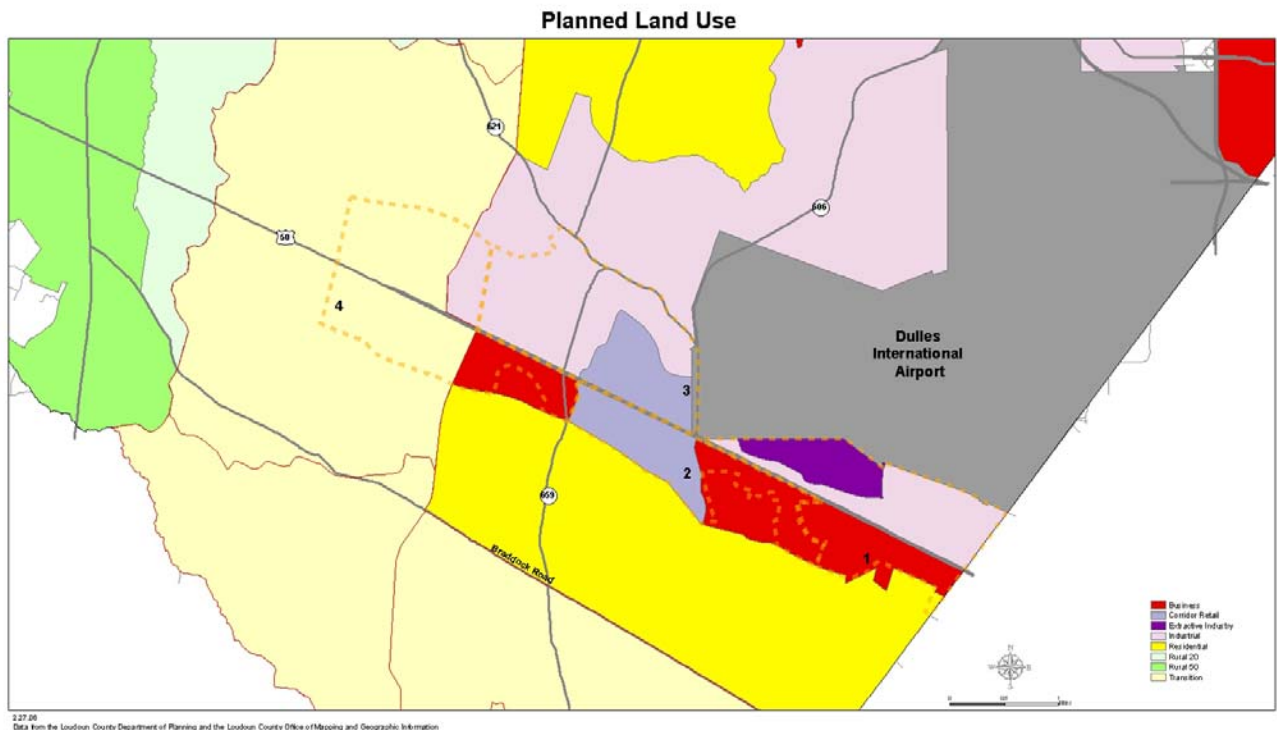
Route 50 is the southern gateway to Loudoun County. It is a four lane divided highway at the Fairfax County line and transitions into a two-lane roadway west of the intersection with Route 611, Fleetwood Road. Investment in the corridor has historically been limited by the lack of sewer and water services. Current land uses along the corridor include a variety of long-term commercial and industrial activities representative of the Commercial Light Industrial (CLI) zoning district. The diverse activities include uses such as car dealerships, commercial nurseries, gas stations, convenience retail uses, sod farms, quarry operations, a church, and various contractor service establishments. Adjacent to the corridor and south of Route 50 are newer residential neighborhoods such as the Ridings at Blue Springs, Savoy Woods, Tall Cedars Estates, and the planned communities of South Riding and Stone Ridge. Additionally, a retail presence is emerging in the vicinity of the planned communities of South Riding and Stone Ridge.

CURRENT PLAN POLICIES

The Route 50 Task Force divided the corridor into four segments (See Segment Areas map below).



Segments 1, 2, 3, and the eastern portion of Segment 4 are located within the Suburban Policy Area while the western portion of Segment 4 is located within the Transition Policy Area (See Planned Land Use Map below). Segment 1 is currently planned for Heavy Industrial, Industrial, Business and Residential uses. Segment 2 is currently planned for Corridor Retail and Business uses. Segment 3 is planned for Industrial and Corridor Retail uses. The eastern portion of Segment 4, within the Suburban Policy Area is planned for Industrial. A more detailed discussion of these planned land uses, current zoning, existing transportation network, and existing environmental and heritage resources for the segments can be found in the Existing Conditions paper prepared as part of the policy development (Attachment 2). Staff notes that Segment 4 parcels located within the Transition Policy Area as well as the Shockey Family and Greenvest/Dulles South parcels located in Segments 3 and 4 were removed from this plan amendment and are being reviewed in conjunction with CPAM 2005-0003, Upper Broad Run and Upper Foley Transition Subareas.



LAND USE CHANGES

The proposed policies and maps change the planned land use within the Arcola Area/Route 50 corridor to allow additional retail land uses in the Business Community and Industrial Community designations subject to certain criteria. The changes also support revitalization of the Village of Arcola with an appropriate the Village Perimeter Transition Area; expanded consumer goods (big box) retail opportunities along Route 50.

Estimated Build-out

For the Commission's consideration, build-out analyses have been conducted for the following land use scenarios: current Revised General Plan Planned Land Use; Planning Commission June 5, 2006 Recommendation; and Route 50 Task Force Recommendation. For each of these scenarios, the following tables outline the maximum potential additional residential units, retail uses, employment uses, and industrial uses that could be developed in the four segment areas. The anticipated capital costs and average daily trips (ADTs) associated with each scenario are also included in the tables. The build-out potential is based on future potential and therefore, has not included existing developments. The analysis is parcel based – that is, each parcel in the four segment areas was evaluated to determine whether it was “developable”. The

analysis took into consideration environmental constraints such as floodplains, existing uses, and approved but unbuilt uses (see Attachment 3: Build-out Analysis Methodology for Alternative Scenarios).

Floor area ratios (FARs) are based on current development patterns within the County for the specific land use (regional office and light industrial – 0.25 FAR, industrial – 0.20 FAR, and retail – 0.20 FAR). Residential densities are determined based on the maximum allowable density (high density residential – 16 dwelling units per acre and residential neighborhood – 4 dwelling units per acre, per Revised General Plan policy).

The current capital needs assessment is used to determine the total anticipated capital costs for each of the different development scenarios. These costs do not reflect the future costs of operating, staffing, and maintaining these facilities. For example, the 2004-05 operating expenditure per student in the Loudoun County school system was \$10,316.

The mix of unit types for the development scenarios used to determine capital costs assumes a 50/50 mix of single-family attached and multi-family units for densities of 16 dwelling units per acre. Current development in the Dulles Community is used to estimate the unit type mix for densities of 4 dwelling units per acre (48% single-family detached, 38% single-family attached, and 14% multi-family). Average Daily Trips (ADTs) are based on the mix of unit types for residential development and the floor area attributed to employment, retail, and industrial land uses.¹

¹ Trip rates from the ITE Trip Generation Manual 7th Edition using the following codes: SFD – Code 210; SFA – Code 230; MF (mid-rise apt) – Code 223; Office Park – Code 750; Retail – Code 820; and Industrial Park – Code 130.

Scenario 1: Current Revised General Plan Planned Land Use

Potential build-out under current planned land use designations is provided in Table 1.

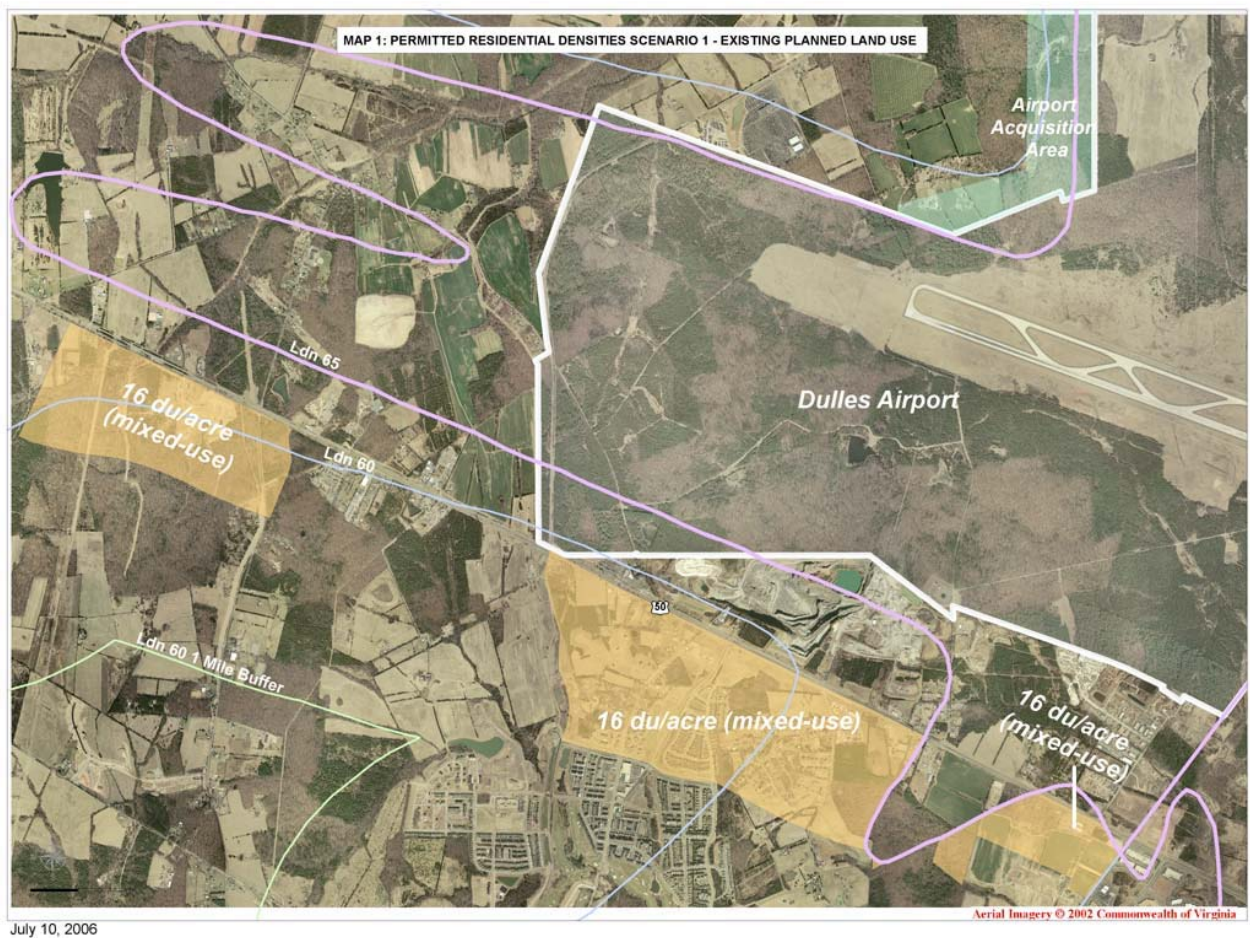
Table 1: Estimated Build-out (Current Potential)

	Residential (dwelling units)	Employment (square feet)	Retail (square feet)	Industrial (square feet)	Anticipated Capital Costs*	Average Daily Trips (ADTs)
Segment 1	1,206	1,358,013	522,553	1,782,423	\$5,462,163	53,126
Segment 2	867	2,005,295	1,191,394	0	\$5,584,320	61,676
Segment 3	40	2,113,348	1,534,919	2,672,075	\$1,506,400	76,908
Segment 4	1,310	813,514	184,175	0	\$2,320,983	27,358
Total	3,423	6,290,170	3,433,041	4,454,498	\$14,873,866	219,068

*Housing units associated with approved developments were not included in the estimate of capital costs

Map 1 shows those areas that could develop with residential land uses, based on the Business land use mix in the Revised General Plan (Revised General Plan,

Policies 2 & 5, p. 6-29).



Scenario 2: Planning Commission Recommendation, June 5, 2006

Potential build-out based on the Planning Commission's recommendation is provided in Table 2. The recommendation precludes residential development north of Route 50, west of Loudoun County Parkway and east of Route 606 Relocated (proposed Business Community Policy 3). Within the proposed Village of Arcola, draft policies permit residential development above first floor retail or employment uses without being counted against the 4.0 dwelling units per acre density limit (proposed Residential Development Policy 3). For determining capital costs and traffic generation within the Village of Arcola, multi-family units at 100% were assumed as these uses are assumed as second and third story uses above non-residential uses.

Table 2: Estimated Build-out (Planning Commission Recommendation)

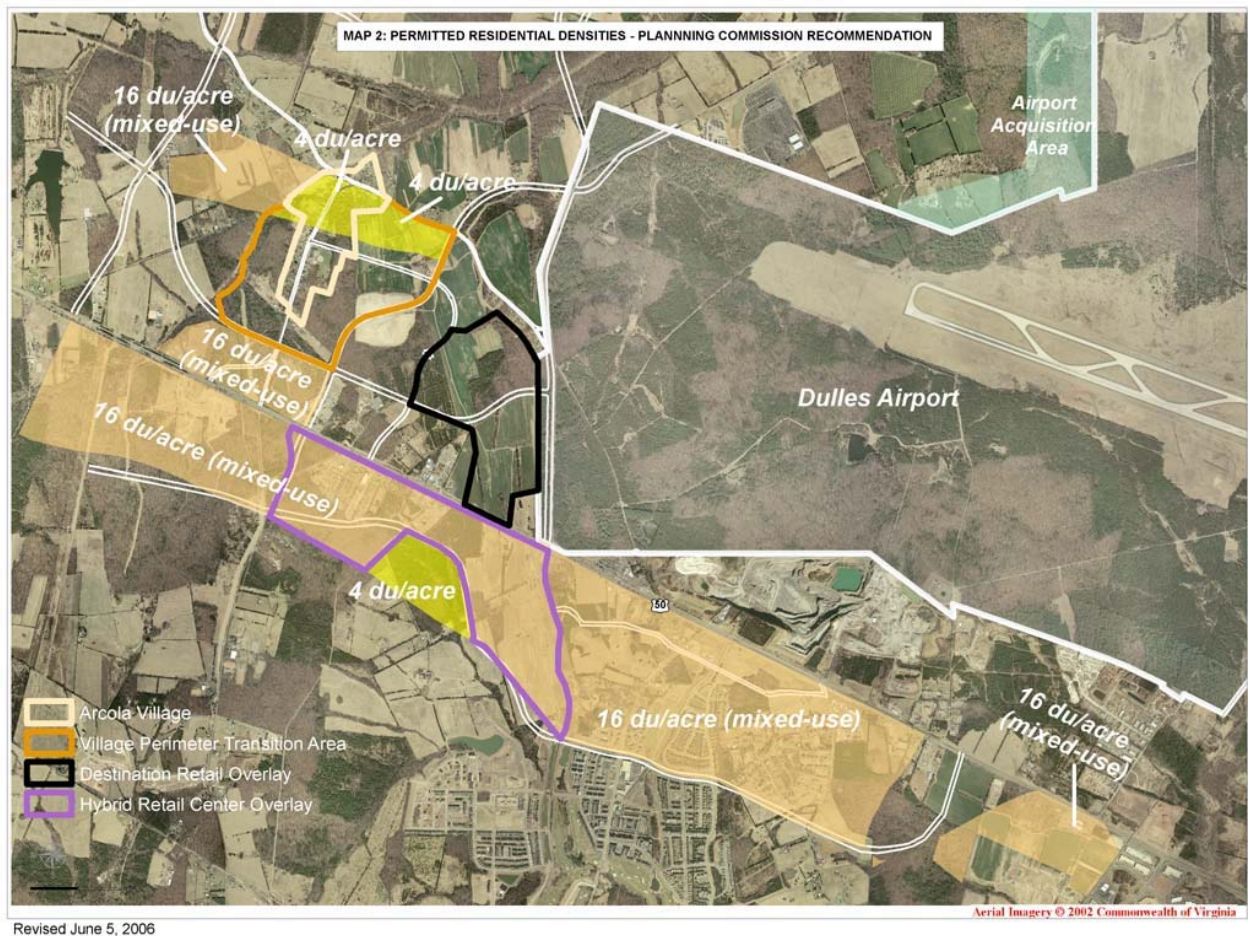
	Residential (dwelling units)	Employment (square feet)	Retail (square feet)*	Industrial (square feet)	Anticipated Capital Costs**	Average Daily Trips (ADTs)
Segment 1	1,206	1,199,171	902,805	1,529,243	\$5,462,163	58,705
Segment 2	1,495	1,524,945	833,495	0	\$17,608,016	54,694
Segment 3	848	3,671,255	2,641,071	0	\$15,633,190	102,058
Segment 4	1,310	777,045	213,351	0	\$2,320,983	27,991
Total	4,859	7,172,416	4,590,722	1,529,243	\$41,024,352	243,448

*Assumed 20% retail uses. Retail uses could be greater as additional retail is permitted beyond the 10% allowable in the land use matrix if certain criteria are met.

**Housing units associated with approved developments were not included in the estimate of capital costs

Map 2 shows those areas that could develop with residential land uses, based on the Planning Commission's recommendations.

Compared to existing Planned Land Use, the Planning Commission's recommendation represents an increase of 1,436 residential dwelling units, 882,246 square feet of employment uses, and 1,157,681 square feet of retail space and a decrease in industrial uses by 2,925,255 square feet. It should be noted that the Arcola Area/Route 50 CPAM proposes additional retail development beyond the recommended 10% when specific criteria are met; therefore, retail floor area for the Planning Commission's recommendation may be higher than predicted.



Scenario 3: Route 50 Task Force Recommendations

Potential build-out based on the Route 50 Task Force recommendations is provided in Table 3. The Route 50 Task Force report did not provide a specific maximum number of dwelling units envisioned for the area north of Route 50. The recommendations of the Task Force called for higher density residential development adjacent to a lifestyle center commercial area and adjacent to Route 50. The build-out for this area was evaluated based on 100% of the land area outside of the 65 Ldn noise contour developing with residential land uses at a maximum of 16 dwelling units per acre, consistent with the maximum dwelling units permitted in Business communities. In addition, the build-out for the Village of Arcola was evaluated based on 100% residential development outside the 65 Ldn noise contour at 4 dwelling units per acre.

Table 3: Estimated Build-out (Based on Route 50 Task Force recommended land use pattern)

	Residential (dwelling units)	Employment (square feet)	Retail (square feet)*	Industrial (square feet)	Anticipated Capital Costs**	Average Daily Trips (ADTs)
Segment 1	1,206	1,199,171	902,805	1,529,243	\$5,462,163	58,705
Segment 2	1,496	1,669,416	717,914***	0	\$17,625,467	53,708
Segment 3	3,609	2,889,758	2,001,452	0	\$63,827,889	104,961
Segment 4	1,310	777,045	213,351	0	\$2,320,983	27,991
Total	7,621	6,535,390	3,835,522	1,529,243	\$89,236,502	245,365

*Assumed 20% retail uses. Retail uses could be greater as additional retail is permitted beyond the 10% allowable in the land use matrix if certain criteria are met.

**Housing units associated with approved developments were not included in the estimate of capital costs

***Proposed Hybrid Retail Overlay was not included in the Route 50 Task Force build-out scenario.

Map 3 shows those areas that could develop with residential land uses, based on the Route 50 Task Force Report.

The Route 50 Task Force recommendation represents an increase of 4,198 residential dwelling units, 245,220 square feet of employment uses, and 402,481 square feet of retail space and a decrease in industrial uses by 2,925,255 square feet. As with the Commission recommendation, retail development may exceed the 20% ratio assumed for this comparison.

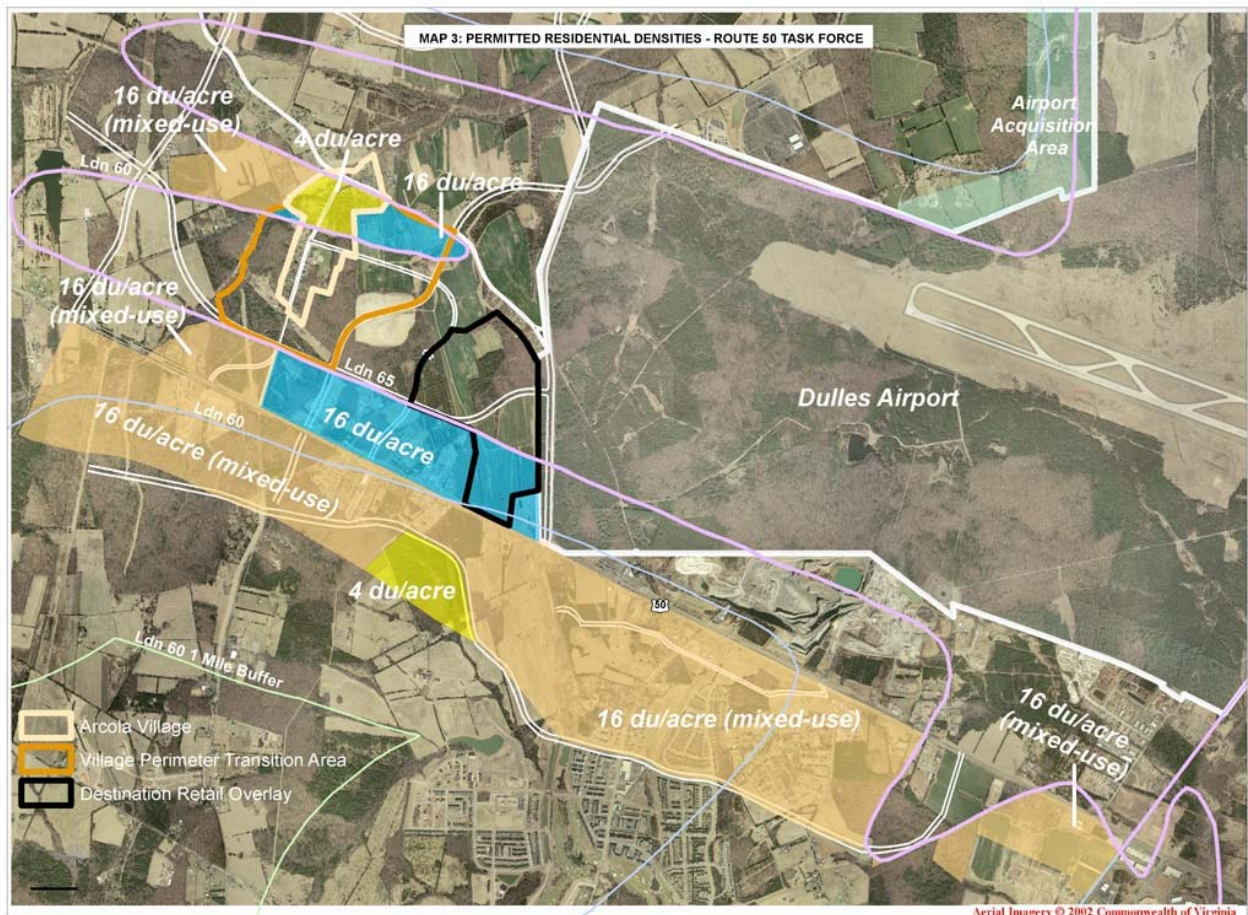


Table 4 combines the build-out scenario totals.

Table 4: Estimated Build-out Totals: Tables 1-3 Combined

	Residential (dwelling units)	Employment (square feet)	Retail (square feet)*	Industrial (square feet)	Anticipated Capital Costs**	Average Daily Trips (ADTs)
Current Planned Land Use	3,423	6,290,170	3,433,041	4,454,498	\$14,873,866	219,068
Planning Commission Recommendation	4,859	7,172,416	4,590,722	1,529,243	\$41,024,352	243,448
Route 50 Task Force	7,621	6,535,390	3,835,522	1,529,243	\$89,236,502	245,365

ANALYSIS

Increased residential development. Up to 25 percent of the land area designated as Business Community may develop as high density residential uses. By expanding the Business Community land use designation to include certain areas currently designated Industrial Community; the proposed policies expand the residential opportunities outside the Ldn 65 noise contour. The increase of approximately 1,400 units under the Commission's recommendation is less than the 4,100 additional units that could develop under the Route 50 Task Force proposal. The principle difference is the Commission's recommendation to prohibit residential uses between Loudoun County Parkway and Route 606 Extended because of the conflict between aircraft over flights/noise and residences.

The County has a strong policy of protecting the Washington Dulles Airport. This policy has been implemented by ordinance regulations and by maintaining an industrial land use designation around the airport to attract airport-related and airport-compatible development. The Planning Commission deliberated at length about the impact of residential development near the airport and received input from the Metropolitan Washington Airports Authority illustrating the number of complaints currently received from residences in the Ashburn and Dulles communities, Airport expansion plans and FAA standards. While the Commission initially felt that high density housing would be compatible because it could best be designed to mitigate aircraft noise, the Commission concluded after site visits by Commissioners that in addition to noise, aircraft over flights would negatively impact any outdoor activity associated with residential and that residential development should be limited in the Arcola area.

Increased retail development in the Business and Industrial Community. The Route 50 Task Force proposes expanding the retail uses permitted in the Business and Industrial Communities to capture tourism opportunities and to encourage redevelopment of under utilized properties. Broadening the potential uses would be an incentive to create a more attractive boulevard. The Planning Commission endorsed that concept and has recommended policies that allow retail development in the Business and Industrial Communities in excess of the current 10% recommended limit on retail space. The additional retail space is conditioned on certain performance standards tied to tourism and compatibility with existing uses. The Planning Commission concluded that retail development will be controlled by market forces. The Commission also found that policies that set criteria for approving additional business in the Business and Industrial areas combined with limits on the location of major destination retail centers should prevent a significant oversupply of big box development.

The Commission's recommendation does not include the Lifestyle Center proposed near Route 607 and the Village of Arcola by the Route 50 Task Force. The Lifestyle Center was a mixed use retail and employment center that relied on residential development for a "24-hour" activity environment. While endorsing the concept, the Commission concluded that the Center was proposed in the wrong location; too close to the Airport. Without residential uses, a Lifestyle Center concept would not be viable. The Commission recommends that the concept of a Lifestyle Center be replaced with Business Community and a Destination Retail designation in the same location. The Destination Retail Center supports power centers or big box retail centers similar to those approved and currently proposed in the area.

A retail market study has been conducted to define various retail categories, including "lifestyle" retail, and to determine realistic market demand and absorption rates based on current and potential Dulles community development scenarios. The study produced the following market conclusions:

In terms of existing retail space, as of 2005, the Route 50 corridor study area/primary market area is underserved in convenience and retail goods, slightly "pre-served" in grocery stores and the supply of and demand for building materials is approximately "in balance." The approved retail projects for the Route 50 corridor exceed supportable retail space through 2030. If the 811,500 square feet of retail at the Arcola Center is completed as it was approved within the next five to ten years and has a predominantly shoppers goods orientation, two market implications will follow: Market demand for shoppers goods will be satisfied through 2030 in all scenarios and market demand for convenience goods will be satisfied through at least 2020 (if higher density residential development occurs in the Transition Area).

The potential land use implications of these market realities include:

- High vacancy levels in approved projects as tenants wait to sign leases until the market provides additional demand.
- Exodus of tenants from neighborhood centers internal to residential communities—reduced viability of Plan-supported neighborhood convenience centers.
- Limited market support for active retail development applications (1,100,000 square feet of retail space at the Arcola Center, the 300,000 square foot Avonlea Plaza, the 800,000 square foot Dulles Landing, and the 75,348 square foot Pleasant Valley Village).

The proposed Destination Retail area, on the north side of Route 50 near the Loudoun County Parkway and the Hybrid Retail Center, replaces the Corridor Retail Center designation currently in the Retail Plan and increases the opportunity for significant "big box" or "category killer" retail activity. These types of uses will impact the viability of the County's objective of encouraging local retail development within residential neighborhoods. The magnitude of space available if current

projects are constructed will likely draw existing uses out of neighborhood centers and impact the viability of planned neighborhood centers.

Loss of Industrial Land. The area surrounding Dulles Airport has become the location of industrial users, landscapers, outdoor storage, heavy equipment repair, etc. This type of development serves a valuable role in Loudoun but is increasingly being pushed elsewhere because of rising land costs and reduced land availability. Such uses are also compatible with the Airport and County policy seeks to develop an industrial ring around the Airport to fend off residential and other incompatible uses. The Route 606 corridor has emerged as the County's premier industrial corridor with the infrastructure and development pattern that supports airport operations and associated uses. This corridor should be protected.

The proposed policies reduce the planned industrial area around the Airport, outside of the Route 606 corridor. The recent expansion of the Washington Dulles Airport on the western edge of the airport property includes approximately 400 acres of land that will be marketed as available for industrial uses in the near future. This additional acreage could potentially offset the industrially zoned land currently available in the Arcola Area.

Public comment acknowledged that the character of Route 50 is changing with the residential development that has occurred (Attachment 5). Industrial uses are not perceived to be the highest and best use within the Arcola Area. The Route 50 Task Force similarly acknowledged that industrial development is not the right fit in the Arcola Area.

While tax revenues may be higher with retail uses, the type of employment associated with retail does not generate the incomes necessary for employees to live in the County. Retail jobs do not have the same, multiplier impact of industrial jobs. An analysis of the employment differences in industrial and retail uses was not part of the Commission's review.

Transportation. The proposed land use changes may add to both total daily trips and peak hour congestion (See Table 2 Estimated Build-Out above). Retail development will contribute to overall daily trips if the larger scale, destination uses develop and attract customers from outside the Dulles area. An analysis of the transportation impacts has been initiated with the update of the Countywide Transportation Plan (CTP) but will not be completed until 2007. The Arcola Area/Route 50 CPAM is generally consistent with the recommendations of the Route 50 Task Force. The Office of Transportation Services review indicates issues that need further examination before the entire network becomes part of the updated CTP (Attachment 6). These issues include high priority transportation improvements which will be necessary for the adequate performance in the CPAM area.

SCOPE OF ACTIVITIES

The draft policies were provided to the Planning Commission on February 27, 2006 (Attachment 4). The Planning Commission received a briefing on the draft policies on March 6, 2006. Given the extensive community outreach and numerous community meetings convened as part of the development of the Route 50 Task Force Report, additional formal public input was not solicited prior to the Commission receiving the draft policies. The Planning Commission held a Public Hearing on April 17, 2006. Following the Public Hearing, the Commission held five worksessions to discuss the draft policies. The Commission voted to forward the draft policies to the Board on June 5, 2006.

On June 26, 2006 staff provided a briefing on the draft policies to the Board of Supervisors Transportation Land Use Committee (TLUC). On July 10, 2006, the TLUC discussed the following issues in relation to the proposed policies: increased retail and residential uses; potential loss of industrial land; and transportation impacts.

On July 18, 2006, the Board returned the CPAM to the Commission for the purposes of holding a Public Hearing no later than the first week in September (in order to provide additional time for Board review). The Board also directed that the Commission certify the CPAM and return the CPAM to the Board no later than the second week of September.

ATTACHMENTS

1. CPAM 2005-0007, draft policies and proposed land use maps
2. Existing Conditions Paper
3. Build-out Analysis Methodology
4. Scope of Activities
5. Summary of Public Comments: April 17, 2006 Public Hearing
6. Office of Transportation Services Memorandums